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Attorneys for USACM Liquidating Trust

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEVADA

In re:

Case No. BK-S-06-10725-LBR

USA Commercial Mortgage Company,

Chapter 11

Declaration Of Geoffrey L. Berman In Support Of USACM Liquidating Trust's Motion To Authorize Interim Distribution to Certain Large Allowed Claims

Hearing Date: OST requested - Dec. 19, 2011
Hearing Time: OST requested: 10:00 a.m.

Estimated Time for Hearing: 10 minutes

Geoffrey L. Berman declares under penalty of perjury:

- 1. I am an adult person competent to testify in court.
- 2. I make this declaration based upon my personal knowledge, and upon the records of USA Commercial Mortgage Company ("USACM").
- 3. I am the Trustee of the USACM Liquidating Trust ("USACM Trust"), which is an entity created by the Debtors' Third Amended Joint Chapter 11 Plan of Reorganization ("Plan"), in the jointly-administered bankruptcy cases, In re USA Commercial Mortgage Company, BK-S-06-10725-LBR, pending in the United States Bankruptcy Court for the District of Nevada.



- 4. The USACM Trust seeks to authorize an interim distribution to certain large allowed claims.
- 5. The Trust filed its Motion for an order authorizing the Trust's initial interim distribution to allowed beneficiaries¹, which motion was granted by the Court. The Trust released the interim distribution in November 2009. That distribution equaled 4.92% of the allowed creditors' claims. Reserves for unresolved and/or disputed claims were established pursuant to the Trust's motion and the Court order approving the Motion.
- 6. The Trustee has resolved almost all of the previously disputed and reserved for direct lender proofs of claim.
- 7. Claims in excess of \$1 million are set forth in the Motion to Authorize Interim Distribution to Certain Large Allowed Claims [DE 9546] (the "Motion").
- 8. I believe it would be prudent at this time to approve an interim distribution of \$8 million to the holders of allowed claims, with the holders of allowed claims in excess of \$1 million or more to receive their distributions after approval by the Court. The distribution to the other allowed beneficial interests will be made after a separate motion is filed with the Court to approve such distribution; the recipients of this distribution will not receive any payments from such future distribution, unless and until the other allowed beneficial interests (creditors) have received their pro-rata payment on the \$8 million fund to be distributed.
- 9. I make this declaration under penalty of perjury of the laws of the United States in Los Angeles, California. Dated: November 29, 2011.

<u>/s/ Geoffrey L. Berman</u> Geoffrey L. Berman

Motion to Authorize First Interim Distribution to Unsecured Creditors [DE 7486].